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JUN 15 1962

EAST KOOTENAY POWER
COMPANY, LIMITED

1962

Annual Report

EAST KOOTENAY POWER COMPANY, LIMITED

DIRECTORS

D. K. BALDWIN

M. R. PEERS

G. E. ELKINGTON

J. W. ROOK

A. W. FINLAYSON

P. N. THOMSON

JAS. B. WOODYATT

OFFICERS

President JAS. B. WOODYATT

Vice-President & General Manager . . G. E. ELKINGTON

Secretary-Treasurer W. G. E. LANNAMAN

Asst. Secretary-Treasurer T. J. RAPPELL

Asst. Secretary-Treasurer J. W. ROSS

Auditors

PRICE WATERHOUSE & Co.

Transfer Agents & Registrars

MONTREAL TRUST COMPANY

Head Office

FERNIE, B.C.

EAST KOOTENAY POWER COMPANY, LIMITED

DIRECTORS' REPORT

The Directors have pleasure in submitting to Shareholders their Report and the Audited Financial Statements of the Company for the fiscal year ended March 31st 1962 which are to be presented at the Annual General Meeting of Shareholders to be held at 355 St. James St. West, Montreal, on Friday, June 22nd 1962 at 10:30 A.M.

Gross operating revenue for the fiscal year was \$1,133,107 against \$989,345 in the preceding period.

The net profit for the year was \$164,475 against \$144,020.

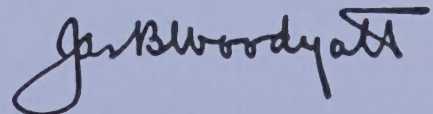
There were 807 customers at March 31st 1962. In addition, other customers are indirectly served by power supplied to municipalities in the Company's area.

There are 620 miles of transmission and distribution lines in service, of which 445 miles are company owned.

Plants, lines and substations operated satisfactorily during the year.

The Directors are pleased to place on record their appreciation of the services rendered by all employees of the Company.

On behalf of the Board,

A handwritten signature in dark ink, appearing to read "J. B. Wooddyatt". The signature is fluid and cursive, with a large initial "J" and a stylized "B".

President.

29 May 1962.

EAST KOOTENAY POW

Balance Sheet as

(with comparable bala

ASSETS

CURRENT ASSETS:

	1962	1961
Cash	\$ 94,666	\$ 84,837
Accounts receivable	158,182	114,042
Materials and supplies, at cost	56,987	57,637
Prepaid expenses	27,392	27,921
	<u>\$ 337,227</u>	<u>\$ 284,437</u>

INVESTMENTS:

Marketable securities, at cost	\$ 447,229	\$ 917,377
(quoted value, 1962 — \$440,905)		
First mortgage bonds of the company, at cost	53,435	49,997
(par value, 1962 — \$54,435)		
	<u>\$ 500,664</u>	<u>\$ 967,374</u>

FIXED ASSETS:

Property, plant, equipment, power rights, etc., at cost	\$6,996,099	\$6,858,007
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NOTES:

1. Sinking fund requirements on the first mortgage bonds have been discharged up to March 31 1964.
2. No depreciation was provided during the ten year period ended March 31 1937.
3. The preference shares are redeemable at \$105 on thirty days' notice. Dividends on these shares in arrears for the period March 1 1932 to March 1 1957 amount to \$175 per share.

Signed on behalf of the board:

JAS. B. WOODYATT, Director

P. N. THOMSON, Director

<u>\$7,833,990</u>	<u>\$8,109,818</u>
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AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of East Kootenay Power Company, Limited as at March 31 all the information and explanations we have required. Our examination included a general review of the necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and a earned surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of t with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Montreal, May 28 1962

ER COMPANY, LIMITED

at March 31 1962

as at March 31 1961)

LIABILITIES

CURRENT LIABILITIES:

	1962	1961
Accounts payable	\$ 77,951	\$ 52,518
Bond and debenture interest accrued	31,400	42,000
Income and other taxes payable	119,611	77,333
Dividend payable	17,500	17,500
	<hr/>	<hr/>
	\$ 246,462	\$ 189,351

LONG-TERM DEBT:

3¾% First mortgage bonds, Series A, due May 1 1967 (Note 1)	\$1,225,000	\$1,300,000
4½% Debentures, due May 1 1968	696,000	1,200,000
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	\$1,921,000	\$2,500,000

ACCUMULATED DEPRECIATION

ON FIXED ASSETS (Note 2)	\$3,200,283	\$3,048,697
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CAPITAL STOCK AND SURPLUS

CAPITAL STOCK:

Authorized —

50,000 7% cumulative preference shares of \$100 each	<u>\$5,000,000</u>
50,000 common shares of no par value	

Issued —

10,000 7% cumulative preference shares of \$100 each (Note 3)	\$1,000,000	\$1,000,000
30,000 common shares for a consideration of	150,000	150,000
	<hr/>	<hr/>

	\$1,150,000	\$1,150,000
EARNED SURPLUS — per statement attached	1,316,245	1,221,770
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	\$2,466,245	\$2,371,770
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	\$7,833,990	\$8,109,818

EAST KOOTENAY POWER COMPANY, LIMITED

2 and the statement of profit and loss and earned surplus for the year ended on that date and have obtained
ounting procedures and such tests of accounting records and other supporting evidence as we considered

own by the books of the company, the accompanying balance sheet and statement of profit and loss and
company as at March 31 1962 and the results of its operations for the year ended on that date, in accordance

PRICE WATERHOUSE & CO.,
Chartered Accountants.

EAST KOOTENAY POWER COMPANY, LIMITED

Statement of Profit and Loss and Earned Surplus

For the Year Ended March 31 1962

Revenue from operations		\$1,133,107
DEDUCT:		
Operating, maintenance and general expenses	\$ 565,753	
Allowance for depreciation	162,500	
Executive officer's salary	12,417	
Directors' fees	3,650	
Legal fees	1,600	
Pension fund contributions, including \$5,937 in respect of past services	27,800	773,720
Profit from operations		\$ 359,387
ADD: Miscellaneous Income —		
Income from investments	\$ 31,924	
Profit on bonds redeemed	5,172	
Sundry profits and income	11,687	48,783
		\$ 408,170
DEDUCT: Interest on bonds and debentures		92,528
Profit before income taxes		\$ 315,642
Income Taxes		151,167
NET PROFIT FOR THE YEAR		\$ 164,475
ADD: Earned surplus as at March 31 1961		1,221,770
		\$1,386,245
DEDUCT: Dividends on preference shares		70,000
EARNED SURPLUS AS AT MARCH 31 1962		\$1,316,245

EAST KOOTENAY POWER COMPANY, LIMITED

Comparative Statistics 1958-1962

For the Years Ended March 31st

	1962	1961	1960	1959	1958
Electric revenue.....	\$ 1,133,107	\$ 989,345	\$ 941,148	\$ 878,784	\$ 936,786
Miscellaneous revenue.....	48,783	58,530	50,630	46,066	45,804
Gross revenue.....	<u>\$ 1,181,890</u>	<u>\$1,047,875</u>	<u>\$ 991,778</u>	<u>\$ 924,850</u>	<u>\$ 982,590</u>
Operation.....	354,272	297,794	269,588	266,050	263,404
Maintenance.....	148,522	146,002	136,088	107,993	143,438
Employees' pension fund.....	27,800	24,575	21,400	21,777	23,270
Taxes (ex. income tax).....	80,626	64,957	59,118	56,671	54,469
Total operation, maintenance and taxes..	<u>\$ 611,220</u>	<u>\$ 533,328</u>	<u>\$ 486,194</u>	<u>\$ 452,491</u>	<u>\$ 484,581</u>
Earnings from operations.....	<u>\$ 570,670</u>	<u>\$ 514,547</u>	<u>\$ 505,584</u>	<u>\$ 472,359</u>	<u>\$ 498,009</u>
Interest.....	92,528	102,177	105,290	108,129	110,023
Depreciation.....	162,500	156,600	159,750	168,000	173,500
Total deductions.....	<u>\$ 255,028</u>	<u>\$ 258,777</u>	<u>\$ 265,040</u>	<u>\$ 276,129</u>	<u>\$ 283,523</u>
Net earnings before income tax.....	\$ 315,642	\$ 255,770	240,544	196,230	214,486
Income tax.....	151,167	111,750	105,650	77,450	87,700
Net profit for the year.....	<u>\$ 164,475</u>	<u>\$ 144,020</u>	<u>134,894</u>	<u>\$ 118,780</u>	<u>\$ 126,786</u>
Surplus brought forward.....	1,221,770	1,147,750	1,082,856	1,034,076	977,290
	<u>\$ 1,386,245</u>	<u>\$1,291,770</u>	<u>\$1,217,750</u>	<u>\$1,152,856</u>	<u>\$1,104,076</u>
Preferred dividend.....	70,000	70,000	70,000	70,000	70,000
Surplus carried forward.....	<u>\$ 1,316,245</u>	<u>\$1,221,770</u>	<u>\$1,147,750</u>	<u>\$1,082,856</u>	<u>\$1,034,076</u>
Kilowatt-Hour output.....	128,633,327	112,946,240	108,321,623	89,486,835	83,985,335

